

Andrea J. Shaw  
State of New Hampshire  
Banking Department  
64B Old Suncook Road  
Concord, NH 03301

State of New Hampshire Banking Department

In re the Matter of:	)	Case No.: 06-087
	)	
State of New Hampshire Banking	)	Cease and Desist Order
	)	Staff Petition
Department,	)	
	)	
Petitioner,	)	
	)	
and	)	
	)	
MAK Investments, Brian Colsia, Gabe	)	
	)	
Cohen, and Laura Cohen,	)	
	)	
Respondents	)	
	)	

STATEMENT OF FACTS

I. The staff of the Banking Department, State of New Hampshire (hereinafter referred to as the "Department") alleges the following facts:

Mortgage Banking and/or Brokering - RSA 397-A

1. MAK Investments LLC (hereinafter "MAK") offers loans secured by a mortgage to individuals facing foreclosure.
2. MAK is not licensed to conduct mortgage banking or brokering activities in New Hampshire, nor do they qualify for an exemption from licensure pursuant to RSA 397-A:4.
3. MAK registered as a domestic limited liability company with the New Hampshire Secretary of State on May 4, 2004. Its sole manager is Brian

1 W. Colsia. Its principal address is 270 Main Street, Manchester, New  
2 Hampshire.

3 4. Mr. Gabriel Cohen and Mrs. Laura Cohen are employees or agents of MAK.  
4 Hereinafter Mr. Colsia, Mr. Cohen and Mrs. Cohen and MAK shall be  
5 referred to collectively as "MAK".

6 Consumer A:

7 5. Consumer A is the owner and occupant of a single family home on certain  
8 real estate located at 639 Old Country Road South, Frankestown, NH  
(herein after "Premises A").

9 6. Premises A is subject to a first mortgage held by CitiCorp Mortgage  
10 Inc. ("CitiCorp"). Premises A is also subject to a second mortgage  
11 held by TD BankNorth, N.A.

12 7. Consumer A defaulted on the obligation to CitiCorp. As a result of  
13 this default, on or about May 11, 2005, Consumer A received a Notice of  
14 Mortgage Foreclosure Sale scheduled to be held at public auction at  
15 Premises A on June 9, 2005.

16 8. For reasons not germane to the issue at hand, the foreclosure auction  
17 was postponed until July 6, 2005.

18 9. Prior to the foreclosure auction initially scheduled for June 9, 2005 a  
19 representative of MAK, Mr. Gabe Cohen, contacted Consumer A with a  
20 proposal to stop the foreclosure action.

21 10. Through Mr. Cohen MAK offered Consumer A "short term lending"  
22 assistance with an underlying mortgage securing the loan, or,  
23 alternatively acquisition of the property prior to the foreclosure.

24 11. Consumer A initially declined the offer as she was attempting to obtain  
25 other financing.

12. Despite her efforts Consumer A was not able to obtain alternate  
financing.

1 13. Consumer A contacted MAK on July 5, the night before the scheduled  
2 July 6 foreclosure.

3 14. On the evening of July 5 Mr. Cohen on behalf of MAK offered what  
4 Consumer A understood to be an unsecured loan in the amount necessary  
5 to reinstate the mortgage loan to Citicorp and stop the foreclosure  
6 sale.

7 15. Consumer A inquired as to the cost of the loan. Mr. Cohen told  
8 Consumer A "what you borrow is what you pay". Consumer A did not  
9 understand that meant she would pay back the principal plus the same  
10 amount borrowed as a finance charge.

11 16. Consumer A did not receive any written information regarding this  
12 unsecured loan until the next morning, the morning of the foreclosure  
13 sale.

14 17. On July 6, 2005 Consumer A attempted to meet Mr. Cohen at his office at  
15 649 Second Street, Ste 2, Manchester, NH 03102 for the purposes of  
16 consummating the unsecured loan prior to the foreclosure sale that day.

17 18. Mr. Cohen was not available when Consumer A arrived at his office.

18 19. Mrs. Laura Cohen, Mr. Cohen's wife, was present at the office and she  
19 indicated that Mr. Cohen was not available, but she had all of the  
20 documentation needing Consumer A's signature.

21 20. Mrs. Cohen presented Consumer A with a document entitled "Affidavit in  
22 Lieu of Promissory Note" ("Affidavit"). Under the terms of the  
23 Affidavit, MAK agreed to lend Consumer A \$15,100.30 for purposes of  
24 stopping the scheduled foreclosure.  
25

21. The Affidavit required Consumer A to sign a Note with the specific terms of the lending arrangement between MAK and Consumer A at a later unspecified date.
22. The Affidavit required Consumer A to repay \$30,200.60 to MAK on July 6, 2006, 12 months from the execution date of the Affidavit.
23. At this time Mrs. Cohen produced a deed conveying ownership of the property from Consumer A to MAK.
24. Consumer A questioned why she was being asked to sign a deed for what she thought was an unsecured loan.
25. Mrs. Cohen told Consumer A that the deed would only be recorded in the event that Consumer A defaulted on the terms of the agreement.
26. The Affidavit would remain in affect until Consumer A received and signed the promissory note according to the terms stated in the Affidavit.
27. At no time while executing the above referenced documents was Consumer A made aware that the terms stated in the promissory note (which she had not seen) would differ from the terms included in the affidavit.
28. MAK tendered funds required to stop the Citicorp foreclosure.
29. Three weeks after stopping the foreclosure, Consumer A still had not received the aforementioned promissory note.
30. Consumer A emailed Mr. Cohen to inquire as to when she would receive the promissory note.
31. In response to the e-mail the promissory note was faxed to Consumer A on July 24, 2005.
32. Consumer A told Mr. Cohen that she wished to have her attorney review the documentation prior to execution of said documents.

1 33. In response, Mr. Cohen told Consumer A she must sign the note and  
2 provide MAK a check for the amount of her CitiCorp mortgage by the end  
3 of the day.

4 34. MAK stated the check should be made payable directly to MAK (not to  
5 CitiCorp.)

6 35. There are at least three (3) similar Promissory Notes filed in County  
7 Registry of Deeds throughout New Hampshire.

8 36. Two (2) were filed with the Registry after September 12, 2005, with one  
9 being filed prior to September 12, 2005.

10 37. The promissory note required that all first mortgage payments to the  
11 holder of the first mortgage (CitiCorp) must be made directly to MAK  
12 and MAK would forward the payment to CitiCorp.

13 38. The first mortgage payment, if made by check, should be made payable to  
14 MAK not CitiCorp according to MAK's instructions.

15 39. Once Consumer A became aware of this new requirement, she refused to  
16 sign the note on the advice of her attorney.

17 40. Concerned about defaulting on her first mortgage, Consumer A wrote a  
18 check directly to CitiCorp and then sent the CitiCorp check to MAK.

19 41. Consumer A stated that MAK agreed to this change.

20 42. Upon review of the promissory note, its terms differed greatly from the  
21 signed Affidavit.

22 43. In addition, Consumer A stated that the verbal agreement between she  
23 and MAK differed from both the Affidavit and the unsigned promissory  
24 note.

25 44. Consumer A and Mr. Cohen set up a meeting at the Second Street office  
for Monday, July 27, 2005 to turn over the Citicorp check. Neither Mr.  
Cohen nor anyone else was present at the office.

- 1 45. On August 3, 2005, Mr. Cohen delivered an eviction notice to Consumer A  
2 stating that the terms of the unsigned promissory note had been  
3 breached.
- 4 46. According to the terms of the Affidavit as presented to Consumer A no  
5 interest or principal payments were due to MAK until the end of a 12  
6 month period, which ended on July 6, 2006.
- 7 47. CitiCorp contacted Consumer A with refinancing options in August 2005.
- 8 48. On August 9, 2006 MAK recorded the deed, purportedly held as security  
9 for repayment, claiming Consumer A breached their agreement. The deed  
10 is recorded in the Hillsborough County Registry of Deeds in Book 7520  
11 Page 2998.
- 12 49. As a result of MAK recording the deed prior to consummation of the  
13 refinance, Consumer A was unable to payoff the MAK mortgage.
- 14 50. Since MAK filed the deed, Consumer A has not received any tax bills or  
15 other legal documents relating to the property, as they are sent  
16 directly to MAK.
- 17 51. As a result, CitiCorp has paid the taxes out of Consumer's A escrow  
18 account.
- 19 52. Consumer A's town welfare was cancelled because she no longer owns  
20 property in the town, which is a prerequisite for receiving town  
21 welfare assistance.
- 22 53. Consumer A could not make her payment to CitiCorp. MAK made mortgage  
23 payments for five months, and then stopped making payments. CitiCorp  
24 told Consumer A to make payments by the 24<sup>th</sup> of each month.
- 25 54. Once Mak filed the deed, Mak began eviction proceedings against  
Consumer A.
55. Consumer A had retained an attorney who was able to get an injunction  
from the court to temporarily prevent the eviction. However, the

1 attorney has since withdrawn from the matter. A trial is set for August  
2 2006.

3 56. As part of the eviction case MAK and Consumer A attempted mediation.  
4 No settlement was reached.

5 57. MAK is now treating Consumer A as a tenant and indicated they want a  
6 contractor to start making repairs on Premises A. MAK also stated that  
7 they do not have to give Consumer A prior notice before entering  
8 Premises A.

9 58. Currently Consumer A is still in her home contesting the eviction and  
10 transfer of ownership of Premises A.

11 Consumer B:

12 59. Consumer B is the owner of a single family residence located on certain  
13 real estate at 549 Pembroke Street, Pembroke, New Hampshire (herein after  
14 "Premises B").

15 60. Premises B is subject to a mortgage in first position held by Conti  
16 Mortgage Corp (hereinafter "Conti"). The mortgage loan is currently  
17 serviced by Select Portfolio Servicing Inc. ("SPS").

18 61. Sometime during early 2005 Consumer B defaulted on the obligation owed  
19 to Conti.

20 62. As a result, SPS placed the mortgage in foreclosure.

21 63. On the morning of the foreclosure action, April 27, 2005,  
22 representatives of MAK Investments, LLC ("MAK"), including Mr. Gabe  
23 Cohen, approached Consumer B at her home, Premises B, with a proposal to  
24 stop the foreclosure action.

25 64. Consumer B was not aware that a foreclosure sale was scheduled for later  
that day until MAK representatives arrived and notified Consumer B.

65. Consumer B subsequently confirmed with SPS that a foreclosure sale was set for 1:00 pm that day.

66. MAK proposed either short or long term loan financing, or acquisition of the property prior to the foreclosure.

67. On the scheduled date of the foreclosure action, at approximately 1:00 pm, Consumer B, Mr. Cohen, and Mr. Brian Colsia met to sign paperwork.

68. MAK did not give Consumer B any financing disclosures or copies of signed documents.

69. Consumer B later learned that the paperwork was a Purchase and Sale Agreement for the SPS payoff amount, plus \$10,000 to Consumer B. The agreement also provided that Consumer B had 30 days to pay back the amount loaned plus \$25,000, all costs to buyer, including tax stamps and expenditures. In addition, the agreement required Consumer B to obtain a commitment letter for the financing of the sale of the property by May 13, 2005.

70. If the aforementioned conditions were not met, Consumer B was required to vacate the property by May 27, 2005. If Consumer B failed to vacate Premises B May 27, \$100 a day was to be deducted from the \$10,000 MAK owed Consumer B, which was part of the purchase price stated in the above referenced agreement.

71. Consumer B stated that later on the same day of the scheduled foreclosure sale MAK sold Premises B to a Mr. T. Richards, via a warranty deed.

72. The warranty deed was recorded in the Merrimack County registry in Book 2770 Page 0395, on April 27, 2005.



1 73. It is unclear how MAK obtained marketable title to convey Premises B to  
2 Mr. Richards.

3 74. On May 2, 2005, SPS posted receipt of \$66,000, removing the mortgage  
4 loan on Premises B from foreclosure status.

5 75. May 4, 2005 Mr. Richard granted a mortgage to MAK as evidenced in the  
6 County Registry at Book 2773 Page 0173.

7 76. Meanwhile, Consumer B requested copies of the documentation Consumer B  
8 signed from MAK.

9 77. After several requests MAK faxed what they insisted was the only  
10 paperwork Consumer B required on May 10, 2005, including a financing  
11 extension allowing Consumer B until May 23, 2005 to pay approximately  
12 \$175,000 to MAK and reclaim title to her home.

13 78. The next day, May 11, 2005, Consumer B received a mortgage bill from SPS  
14 in the amount of \$674.57.

15 79. On May 25, 2005, MAK discharged the mortgage from Mr. Richards in the  
16 county registry in Book 2895 Page 0597.

17 80. July 30, 2005 SPS received a payment in the amount of \$2,000, which was  
18 paid by check from MAK. The memo line of the check stated Consumer B's  
19 name and Premise B's address.

20 81. On March 28, 2006 Consumer B entered into a forbearance agreement with  
21 SPS.

22 82. Three days later on March 31, 2006, SPS received another payment of  
23 \$1,000 which was paid through Western Union, with Consumer B's name and  
24 account number listed on it.

25 83. On May 25, 2006, a Mr. Gabriel Bilc recorded a warranty deed granting  
the premises from Mr. Richards to Mr. Gabriel Bilc.

1 84. Immediately upon obtaining title, Mr. Bilc granted a mortgage on Premises  
2 B to MAK.

3 85. At present it appears the property is owned by Mr. Bilc, but how he  
4 obtained marketable title is unclear.

5 Consumer C

6 86. Consumer C is the owner of a single family residence located on a  
7 certain real estate at 40 Trail View Drive, Gilford, NH (herein after  
8 "Premises C").

9 87. As of March 2006, Premises C was subject to a mortgage in first position  
10 held by Novastar Mortgage Inc (hereinafter "Novastar"). Premises C was  
11 also subject to a mortgage in second position by MAK Investments LLC  
12 ("MAK").

13 88. In June 2005, Consumer C was experiencing difficulty in obtaining  
14 mortgage statements from Novastar.

15 89. When Consumer C inquired as to the reason Novastar was not sending  
16 statements, Novastar stated it (Novastar) did not hold a mortgage to  
17 Premises C. However, it was later discovered that Novastar did hold a  
18 mortgage on Premises C.

19 90. Consumer C was unable to determine the amount of and location where a  
20 payment should be sent as Novastar repeatedly told Consumer C they did  
21 not hold a mortgage on Premises C.

22 91. Consumer C was unable to send timely mortgage payments to Novastar due to  
23 Novastar's confusion.

24 92. As a result Novastar placed Consumer C into foreclosure.  
25

1 93. A business card containing Mr. Colsia's name as representative for MAK  
2 was left at Consumer C's house offering assistance with Consumer C's  
3 current foreclosure situation.

4 94. Consumer C contacted MAK and on June 23, 2005. Consumer C signed a Note  
5 and Mortgage with MAK. According to the terms of the loan MAK would  
6 advance \$11,150.22 in principal to Novastar. In return Consumer C would  
7 pay MAK \$4,000 in interest and pay MAK the principal in full 6 months  
8 from executing the loan. In addition, Consumer C would make monthly  
9 payments of \$300 in interest to MAK.

10 95. Additionally, MAK required the first mortgage payment (to Novastar) in  
11 the amount of \$1,216.22 to be sent to MAK and MAK would forward the  
12 payment to Novastar.

13 96. The loan was secured by Premises C and a mortgage deed was recorded at  
14 the Hillsborough County Registry of Deeds in Book 2188 on Page 0147 on  
15 June 27, 2005.

16 97. The first payment was due to MAK the day after execution of the loan  
17 documents.

18 98. However, MAK insisted on Consumer C paying \$300 more than what Consumer  
19 C originally agreed. Consumer C paid MAK \$1,816.22 at that time.

20 99. From August to November 2005, Consumer C paid \$1,516.22 a month directly  
21 to MAK.

22 100. However, MAK failed to forward the payments to Novastar in a timely  
23 manner.

24 101. Once Consumer C discovered MAK failed to forward the Novastar payments  
25 in atimely manner Consumer C felt she had no choice but to start paying

1 Novastar directly and give MAK the \$300 interest payment. per month  
2 separately.

3 102. The above referenced modification took place beginning in December 2005  
4 and ended in March 2006.

5 103. Once Consumer C began sending her first mortgage payments directly to  
6 Novastar, Mr. Colsia became verbally threatening and abusive.

7 104. Mr. Colsia insisted that he was paying the Novastar mortgage; however,  
8 Consumer C confirmed with Novastar that Mr. Colsia's statement was not  
9 true.

10 105. MAK sent Consumer C a bill for the amount of the Novastar mortgage  
11 payments that Consumer C did not send directly to MAK. It is unclear if  
12 no payments were made or if the payments were simply late.

13 106. Also of concern for Consumer C was MAK's requirement that payment be made  
14 either in cash or cashier's check.

15 107. Most months Consumer C made her payments in person at MAK's request, or  
16 MAK would suggest the money be left hidden at Premises C for Mr. Colsia  
17 to pick up.

18 108. Consumer C refinanced their mortgage on April 26, 2006 in order to  
19 payoff the MAK and Novastar mortgages.

20 109. Consumer C's new mortgage broker requested a payoff statement from Mr.  
21 Colsia, as the managing member of MAK.

22 110. Mr. Colsia's payoff statement was \$18,000, which was contrary to the  
23 amount contained in the note.

24 111. Mr. Colsia informed the new mortgage company that the \$18,000 figure was  
25 "inclusive of all principal, interest, prepaids, and penalties." MAK  
provided no further explanation.

1 112. The second mortgage granted to MAK was discharged and said discharge was  
2 recorded in the County Registry in Book 2293 on Page 0908 on May 2, 2006.

3  
4 II. The staff of the Banking Department, State of New Hampshire alleges the  
5 following issues of law:

6 Chapter 397-A Mortgage Banking and Brokering

7 1. The Department incorporates by reference and realleges herein paragraphs  
8 1 to 112.

9 2. The Department has jurisdiction over the licensing and regulation of  
10 persons engaged in mortgage banker / broker activities pursuant to New  
11 Hampshire RSA 397-A:3.

12 3. RSA 397-A:3 requires any person not exempt under RSA 397-A:4 that, in  
13 its own name or on behalf of other persons, engages in the business of  
14 making or brokering residential mortgage loans secured by real property  
15 located in this state shall be required to obtain a license from the  
16 banking department. MAK violated this law by offering mortgage loans  
17 secured by single family New Hampshire real estate to Consumers A, B and  
18 C without a license.

19 4. Pursuant to NH RSA 397-A:18, the Department has the power to issue and  
20 to serve an order requiring persons to cease and desist from violations  
21 of the chapter whenever it has reasonable cause to believe that any  
22 person has engaged in any act or practice constituting a violation of  
23 the banking laws, or any rule or order thereunder. Respondent has  
24 violated RSA 397-A:3 by conducting unlicensed mortgage banker / broker  
25 activities in New Hampshire. Based on the Consumer information provided  
and the similar Registry of Deeds entries, the Department has reasonable  
cause to believe that MAK engaged in unlicensed mortgage banking and has

1 reasonable cause to believe that with out a Cease and Desist Order MAK  
2 will continue to violate this law.

- 3 5. Pursuant to NH RSA 397-A:17 mortgage bankers/brokers engaging in  
4 business in New Hampshire are prohibited from engaging in unethical  
5 business practices. Based on the fact stated about, MAK's changing the  
6 terms of the loan from the verbal discussion to the time it was reduced  
7 to a promissory note and other actions as set forth in Section I are  
8 sufficient to constitute unethical business practices.

8 Chapter 398-A - Second Mortgage Loans

- 9 1. The Department incorporates by reference and realleged herein  
10 paragraphs 1 to 112.
- 11 2. The Department has jurisdiction over the licensing and regulation of  
12 persons engaged in second mortgage banker / broker activities pursuant  
13 to NH RSA 398-A:1-a.
- 14 3. Prior to September 2005 RSA 398-A:1-a required that any person engaged  
15 in the business of making or brokering second mortgage loans secured by  
16 real property located in the state of New Hampshire, which is or shall  
17 be occupied in whole or in part as a primary domicile or place of  
18 residence by the borrower and which consist of not more than 4 living  
19 units, unless the person first obtains a license as provided by in the  
20 Chapter, except when the person lending money is the seller of the real  
21 estate upon which the second mortgage is to be taken as security.  
22 Based on the facts stated above MAK violated this section of the law by  
23 making subordinate lien mortgage loans on single family homes located  
24 in New Hampshire without a license.
- 25 4. Pursuant to NH RSA 398-A:1-b VI the Department has the power to issue  
and to serve an order requiring persons to cease and desist from  
violations of the chapter whenever it has reasonable cause to believe  
that any person has engaged in any act or practice constituting a

1 violation of the banking laws, or any rule or order thereunder.

2 Respondent has violated RSA 398-A:1-a by conducting unlicensed second  
3 mortgage banker / broker activities in New Hampshire prior to September  
4 4, 2005. Based on the facts stated in Section I the Department has  
5 reasonable cause to believe that MAK violated this provision by making  
6 mortgage loans to Consumer A and Consumer C and holding the deed as  
7 security for repayment of that loan.

- 8 5. Pursuant to NH RSA 398-A:1-b(I)(j) mortgage bankers/brokers engaging in  
9 business in New Hampshire are prohibited from engaging in unethical  
10 business practices. Based on the facts stated above, MAK's changing  
11 the terms of the loan from the verbal discussion to the time it was  
12 reduced to a promissory note is sufficient to constitute an unethical  
13 business practice.

14 Chapter 399-D - Debt Adjuster

- 15 1. The Department incorporates by reference and realleged herein paragraphs  
16 1 to 112.
- 17 2. The Department has jurisdiction over the licensing and regulation of  
18 persons engaged in debt adjustment activities with New Hampshire  
19 consumers pursuant to NH RSA 399-D:3.
- 20 3. RSA 399-D:3 requires any person not exempt under RSA 399-D:4 that  
21 engages in the business of debt adjustment with New Hampshire consumers  
22 is required to obtain a license from the banking department. MAK  
23 violated this provision by requiring consumers to make their first  
24 mortgage payments directly to MAK with the condition that MAK would  
25 forward the payment on to the first mortgage company without a debt  
adjuster license.
4. Pursuant to NH RSA 399-D:23 II the Department has the power to issue and  
to serve an order requiring persons to cease and desist from violations

1 of the chapter whenever it has reasonable cause to believe that any  
 2 person has engaged in any act or practice constituting a violation of  
 3 the banking laws, or any rule or order thereunder. Respondent has  
 4 violated RSA 399-D:3 by conducting unlicensed debt adjustment activities  
 5 in New Hampshire. Based on the above facts the Department has  
 6 reasonable cause to believe that MAK has violated and will continue to  
 7 violate this provision by receiving for compensation and as agent of  
 8 debtors, debtors' money for the purposes of distributing money to  
 9 creditors in full or partial payment of obligations of the debtor.

- 10 5. Pursuant to NH RSA 399-D:13 I(j) debt adjusters engaging in business in  
 11 New Hampshire are prohibited from engaging in unethical business  
 12 practices. This section was violated by MAK taking debtor's funds and  
 13 failing to forward them to the creditor in a timely manner.

14 RELIEF REQUESTED

15 The staff of the Banking Department requests the Commissioner take the  
 16 following action:

- 17 1. Find as fact the allegations contained in section I of the Statement of  
 18 Allegations of this petition.  
 19 2. Make conclusions of law relative to the allegations contained in section  
 20 II of the Statement of Allegations of this petition.  
 21 3. Pursuant to New Hampshire RSA 397-A:18, RSA 398-A:1-b IV, and RSA 399-  
 22 D:23 II, immediately Order Respondent to Cease and Desist from violations  
 23 of the New Hampshire Banking Laws.  
 24 4. Take such other administrative and legal actions as are necessary for  
 25 enforcement of the New Hampshire Banking laws, the protection of New  
 Hampshire citizens, and to provide other equitable relief.



RIGHT TO AMEND

The Department reserves the right to amend this Petition for Relief and to request that the Banking Department Commissioner take additional administrative action. Nothing herein shall preclude the Department from bringing additional enforcement action under RSA 397-A, RSA 398-A or RSA 399-D or the regulations thereunder.

Respectfully submitted by:

/s/  
Andrea J. Shaw  
Staff Attorney

7/6/06  
Date









WHEREAS, thereafter, the Respondents and the Department met to discuss a resolution of the matter which discussions resulted in the execution and entry of a Consent Decree which was signed by the Commissioner on May 16, 2007 (the "Decree");

WHEREAS, pursuant to the terms of the Decree, all matters were resolved other than a determination of whether any restitution should be paid to the Consumer;

WHEREAS, pursuant to the terms of the Decree the parties held the first day of a hearing to determine whether any restitution was to be awarded to the Consumer on August 29, 2007; and

WHEREAS, following the first day of hearings the Respondents and the Consumer entered into settlement discussions.

NOW THEREFORE, in consideration of the foregoing and the covenants and agreements set forth herein, the parties agree as follows:

1. Payment of Restitution. Within five (5) days of the entry of an order by the Commissioner approving this Settlement Agreement the Respondents shall pay the Consumer twenty-five thousand dollars (\$25,000) (the "Payment"). The Payment shall represent the complete and final resolution of, and discharge of any basis for any further civil or administrative proceeding by the Department against the Respondents for any violations arising as a result of or in connection with actions or omissions by the Respondents through the date of this Order as to the Consumer. With the entry of the order approving this Settlement Agreement and the Consent Decree entered May 16, 2007

the above-captioned matter shall be concluded by the Department and closed.

2. Releases. Consumer for and in consideration of the Payment, and other valuable consideration received from the Respondents, the receipt of which is hereby acknowledged, does hereby remise, release, acquit, satisfy, and forever discharge the said Respondents, of and from all manner of actions, causes of action, suits, debts, covenants, contracts, controversies, agreements, promises, claims and demands whatsoever, which Consumer ever had, now has, or which Consumer or any personal representative, successor, heir or assign of Consumer, hereafter can, shall or may have, against Respondents, by reason of any matter, cause or thing whatsoever, from the beginning of time to the date of this instrument, including, but not by way of limitation, relating in any way whatsoever to any of the claims, action or causes of action raised or that could have been raised in the Staff Petition concerning Consumer, Respondents and the 22 West Chamberlain, Merrimack, New Hampshire property or in any proceedings relating thereto.

**WHEREFORE**, based on the foregoing, we have set our hands to this Agreement, with it taking effect upon the signature of Peter C. Hildreth, Bank Commissioner.

